



General Assembly

January Session, 2007

Raised Bill No. 7061

LCO No. 3773

* ____HB07061INS__031507__ *

Referred to Committee on Insurance and Real Estate

Introduced by:
(INS)

***AN ACT CONCERNING THE RIGHT OF RECOVERY BY THE
CONNECTICUT INSURANCE GUARANTY ASSOCIATION.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (4) of section 38a-844 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage*):

4 (4) The association shall have the right to recover from the following
5 persons the amount of any covered claim paid on behalf of such
6 person pursuant to sections 38a-836 to 38a-853, inclusive: (A) Any
7 person who is an affiliate of the insolvent insurer and whose liability
8 obligations to other persons are satisfied in whole or in part by
9 payments made under this chapter; and (B) any insured whose net
10 worth on December thirty-first of the year next preceding the date the
11 insurer becomes an insolvent insurer exceeds fifty million dollars and
12 whose liability obligations to other persons are satisfied in whole or in
13 part by payments made under said sections. For purposes of this
14 subdivision, "insured" does not include [a municipality, as defined in
15 section 7-148, or] the Second Injury Fund, established in section 31-354,
16 a governmental entity or a tax-exempt organization under Section

17 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent
18 corresponding internal revenue code of the United States, as from time
19 to time amended.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	<i>from passage</i>	38a-844(4)
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INS ***Joint Favorable***